



Housing and Redevelopment Authority

Tuesday, September 27, 2016

5:30 PM

Council Chambers

1800 West Old Shakopee Road

AGENDA

1. Call to Order
2. Approval of Agenda
3. Approval of Minutes
 - 3.1. Approval of Minutes
4. Unfinished or Organizational Business
5. New Business
 - 5.1. Action Items
6. Adjournment



Agenda Item

Originator
Housing and Redevelopment Authority

Item
Approval of Minutes

Date
9/27/2016

Description

Requested Action

Attachments:

July 26, 2016 HRA Board Meeting Minutes

September 13, 2016 HRA Board Meeting Minutes

UNAPPROVED MINUTES

Housing and Redevelopment Authority in and for the City of Bloomington

1800 West Old Shakopee Road
Bloomington, Minnesota 55431

Tuesday, July 26, 2016
5:30 PM
Council Chambers

- 1 Call to Order**

Chairman Thorson called the meeting to order at 5:33 p.m.

Present: Commissioners: Thorson, Carlson, Lewis
Staff: Grout, Hartman, Zimmerman

Absent: Commissioner Fossum
- 2 Approval of Agenda**

M/Lewis, S/Carlson to approve the agenda. Motion carried, 3-0.
- 3 Approval of Minutes**
- 3.1 Approval of Minutes - June 28 and July 12, 2016**

M/Carlson, S/Lewis to approve the minutes of the June 28, 2016 HRA meeting. Motion carried, 3-0.

Approval of the July 12 HRA meeting minutes was tabled to the next meeting.
- 4 Unfinished or Organizational Business**

None.
- 5 New Business**
- 5.1 HRA - General Update**

Grout presented a brief overview of ongoing activities the HRA is involved with through the end of the year.

Hennepin County is closing their South Suburban District Court facility at Southdale and looking at the possibility of relocating it to the Civic Plaza campus attached to the Police Department. Grout was requested to represent the City's Community Development Department on the project. City Council approved a letter of intent in February and the development agreement and lease are pending.

The former bank building at Knox and American was purchased by the HRA in February for \$2 million and the former Home Value building was purchased by the HRA in June for \$2 million to be paid by the end of 2016. Staff has applied for deferred loans from MN Housing for \$4 million and Met Council for \$1.4 million. Two Tax Increment Financing (TIF) districts will be created but will not be certified until all funding is in place.

The Neighborhood Commercial Center Redevelopment Study was completed and will go to the Planning Commission on August 11 and to City Council on August 22. The Action Plan is scheduled to be put in place in September or October.

There was brief discussion regarding Metropolitan Council's Orange Line transit in the Penn American project area.

5.2 Action Items

None.

6 Adjournment

M/Lewis, S/Carlson to adjourn the meeting. Motion carried, 3-0. The meeting adjourned at 5:49 p.m.

UNAPPROVED MINUTES

**Housing and Redevelopment Authority
in and for the City of Bloomington**
1800 West Old Shakopee Road
Bloomington, Minnesota 55431

Tuesday, September 13, 2016
5:30 PM
Dakota Conference Room

- 1 **Call to Order** Chairman Thorson called the meeting to order at 5:31 p.m.

Present: Commissioners: Thorson, Carlson, Coulter, Fossum
 Staff: Grout, Hartman, Neary

Absent: Commissioner Lewis
- 2 **Approval of Agenda** M/Coulter, S/Fossum to approve the agenda. Motion carried, 4-0.
- 3 **Approval of Minutes**
- 3.1 **Approval of Minutes** M/Carlson, S/Fossum to approve the minutes of the July 12th, 2016 HRA meeting. Motion carried, 4-0.

Approval of the July 26, 2016 HRA meeting minutes were tabled due to absences of two commissioners.

M/Fossum, S/Coulter to approve the minutes of the August 16, 2016 HRA meeting. Motion carried, 4-0.

M/Carlson, S/Fossum to approve the minutes of the August 30, 2016 HRA meeting. Motion carried, 4-0.
- 4 **Unfinished or
Organizational
Business**
- 4.1 **Reappointment of
Nathan Coulter to HRA
Board** Commissioner Coulter applied for the open seat on the Bloomington City Council and was required to resign from the HRA Board until the vacancy was filled. He was reappointed to the HRA Board by City Council on July 14, 2016.

Thorson administered the oath of office to Coulter.

5 New Business

5.1 Public Hearing and Approval of 2017 Agency Plan and Section 8 Administrative Plan

Hartman presented a brief overview of the updates to the 2017 Agency Plan and Section 8 Administration Plan. He stated this is an annual item required by the Department of Housing and Urban Development (HUD). One primary change to the Section 8 Program is adding language to encourage participants to live outside of the Racially and Ethnically Concentrated Areas of Poverty (RECAP). A map showing these areas was handed at the meeting. Staff will be advising our participants leaving the city to explore areas outside of RECAP that offer more opportunities for jobs and growth.

A total of one comment was received from a Section 8 participant who thanked staff and praised the program.

Legal Aid submitted a comment letter on September 13. Approval of the Plan will be postponed until staff consults with legal counsel to form a response. The updated Plan must be submitted to HUD by the end of October.

Thorson opened the public hearing. With no one in attendance to address the Board, the public hearing was closed.

5.2 Preliminary HRA Budget for 2017 and Resolution Setting Proposed Tax Levy for 2017

Hartman presented the 2017 budget and preliminary levy. The final budget will be brought back to the Board at end of October and to City Council in December. The amount of levy has increased 10% from last year due to increases in property values and Tax Increment Financing (TIF) districts which are decertifying with more tax capacity. Staff is proposing we set the levy amount at the maximum amount of \$2,120,835 in anticipation of funding for the home improvement loan programs. Hartman explained that a majority of the funding will go into Redevelopment.

M/Coulter, S/Carlson to approve the 2017 preliminary budget and levy. Motion carried, 4-0.

5.3 Approval – Resolution Determining the Need to Acquire Land at 9431 Garfield Ave. S.

Hartman stated staff is proposing to purchase the property at 9431 Garfield Avenue South, which is a substandard single-family home. A purchase price of \$123,000 has been negotiated. A city-owned park abuts the property and will be maintained by City Maintenance staff until the future use of the lot is determined. There was discussion about combining adjacent properties for possible multi-family or single family redevelopment.

M/Fossum, S/Carlson to approve the Resolution Determining the Need to Acquire Land at 9431 Garfield Avenue South using HRA development funds. Motion carried, 4-0.

6 Adjournment

M/Carlson, S/Coulter to adjourn the meeting. The meeting adjourned at 5:58 p.m.



Bloomington Housing and Redevelopment Authority

■ 1800 West Old Shakopee Road ■ Bloomington MN 55431-3027 ■ 952-563-8937 ■ FAX 952-563-4977 ■ TTY 952-563-8740 ■

TO: BLOOMINGTON HRA BOARD OF COMMISSIONERS

FROM: DOUG GROUT

RE: ACTION ITEMS UPDATE – SEPTEMBER 27, 2016 HRA BOARD MEETING

Legislative Update: Nothing to report.

Neighborhood Enhancement:

- **Housing and Neighborhoods (“Fix Up My Home”) Initiative:** To date, the HRA has received the following applications since the Home Improvement Fair in mid February:

	<u>To Date</u>
- CDBG Home Improvement Loans:	99
- Neighborhood Home Improvement Loans:	79
- Curb Appeal Loan Program:	56
 TOTAL APPLICATIONS:	 234

The response to the new and expanded home improvement loan programs has exceeded our expectations, and we are reaching the capacity for the number of loans the two staff program specialists can serve within a twelve month time frame. In a typical year, we receive less than 100 applications, and close 50 – 60 loans. We are working with the Building and Inspections Division to provide the HRA a part-time, flexible staff person to assist with loan administration next year, if needed.

Meetings/Agendas:

- **October 11:** The HRA Board is scheduled to meet Tuesday, October 11, 2016 in the Dakota Conference Room.
- **October 25:** The HRA Board is scheduled to meet Tuesday, October 25, 2016 in City Council Chambers.

City Council Action: The Planning Division and HRA will be presenting the recommendations and report for neighborhood commercial center renovation and redevelopment to the Bloomington City Council on Monday, September 26.

Program Update:

- **Housing Choice Voucher (Section 8) rent assistance program:** Nothing to report.
- **Correspondence:** We have received, and are reviewing with legal counsel, the recommendations from Legal Aid for the FY 2017 Section 8 Administrative Plan.
- **Blighted Housing:** Nothing to report.

Redevelopment:

- **Neighborhood commercial centers:** Planning Division staff have met with the HRA Board, the Planning Commission, and the City Council for initial input on the rating factors for the prioritization of neighborhood commercial centers for redevelopment. Staff have toured and evaluated the various sites. Planning staff will present recommendations on July 12 to the HRA Board for consideration.
- **Knox & American:**
 - **MHFA Super RFP:** The Development Team and HRA submitted an application to the Minnesota Housing Finance Agency (MHFA) Super RFP for a significant part of project funding for the 248-unit apartment. The developers retained the firm of Rippley Richard to complete and submit the application to MHFA, which occurred June 10. The MHFA Board will make funding decisions in late October.
 - **Met Council LCDA:** The Met Council reviewed the pre-application submitted for the Livable Communities Demonstration Account (LCDA) grant program, and invited the HRA and Development Team to submit a full application. The application was submitted, and the HRA is one of the five finalists for funding consideration. The Met Council will interview the finalists on October 6, with final funding decisions announced in late October.
 - **TIF Request to Council:** The HRA will be presenting a TIF request to the City Council on Monday, October 3, for the creation of two TIF districts to assist in funding the Knox & American apartments. One district will be a redevelopment TIF district, and the other district will be a housing TIF district. I will provide the HRA with a general presentation regarding the project at the 9/27 meeting. The TIF districts will not be certified until all project financing is in place. If the City Council approves the TIF request, the HRA Board will review the request at their first meeting in October.

Other:

- **Housing Market Study:** Staff are preparing a Request for Proposals to be sent out to two or three market research firms for the completion of a housing market study for the City of Bloomington. These studies are typically completed every five years.